

KENDALL

274P

DISTRIBUTOR PRICE LIST
NUMERICAL LISTING

Effective March 1, 2002

**KENDALL
274P DISTRIBUTOR PRICE LIST
EFFECTIVE MARCH 1, 2002**

ORDERING INFORMATION

**CENTRAL ORDER
PROCESSING AND
CUSTOMER SERVICE:**

KENDALL, A DIVISION OF TYCO HEALTHCARE GROUP LP
15 HAMPSHIRE STREET
MANSFIELD, MA 02048

**TOLL FREE
PHONE NUMBER:**

1-800-962-9888

**TOLL FREE FAX
(ORDERS ONLY):**

1-800-637-9775

**DISTRIBUTION
CENTERS:**

ATLANTA, GA
CRYSTAL LAKE, IL
GREENWOOD, SC
JOLIET, IL
MARIETTA, GA
ONTARIO, CA
WATERTOWN, NY

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TERMS OF SALE

ALL ORDERS ARE SUBJECT TO ACCEPTANCE BY KENDALL, A DIVISION OF TYCO HEALTHCARE GROUP LP ("KENDALL").

ALL PRICES ARE SUBJECT TO CHANGE WITHOUT NOTICE AND ARE EXCLUSIVE OF ANY FEDERAL, STATE OR LOCAL TAXES.

CASH DISCOUNT:

1% 30 DAYS. CASH DISCOUNTS AVAILABLE ONLY AT TIME OF PAYMENT.

FREIGHT:

PREPAID ON ALL ORDERS, EXCEPT SPECIAL HANDLING SHIPMENTS.

**DROP
SHIPMENTS:**

ONLY EMERGENCY ORDERS INVOLVING ONE OR TWO CASES OF CRITICALCARE PRODUCT. A 5% SURCHARGE ,PLUS FREIGHT EXPENSE, WILL BE ADDED TO THE INVOICE.

**DELIVERY
CLAIMS:**

GUIDELINES FOR PALLETIZED SHIPMENTS:

- 1) **THE CUSTOMER MUST SIGN THE BILL OF LADING AND / OR DELIVERY RECEIPT IN PALLET COUNT, NOT PIECES.** UPON BREAKING DOWN PALLETS, IF THE CUSTOMER RECEIVED SHORT, THEY MUST NOTIFY KENDALL WITHIN 7 CALENDAR DAYS OF SHIPMENT RECEIPT. IF THE 7-DAY WINDOW EXPIRES, THE CUSTOMER MUST PAY WHAT WAS SIGNED FOR ON THE BILL OF LADING AND PACKING LIST.
- 2) AS PART OF OUR PREPAID DELIVERY, **KENDALL WILL NOT ACCEPT SORT AND SEGREGATE CHARGES.** WHEN THE CARRIER DELIVERS KENDALL PRODUCT TO THE CUSTOMER, THE CUSTOMER MUST SIGN FOR PALLETS AND NOT BREAK DOWN THE PALLETS TO VERIFY PIECE COUNT AT TIME OF RECEIPT. IF THE CUSTOMER NEEDS TO VERIFY PIECE COUNT, THEY MUST PERFORM THAT FUNCTION AFTER THE CARRIER DELIVERY RECEIPT HAS BEEN SIGNED CLEAR AND THE DRIVER IS PERMITTED TO LEAVE, KNOWING THE CARRIER WILL BE PAID.
- 3) IF THE CUSTOMER ABSOLUTELY NEEDS SORT AND SEGREGATE UPON DELIVERY, THEY MUST PERFORM THAT FUNCTION AT THEIR OWN EXPENSE. **ALL CARRIERS HAVE BEEN INSTRUCTED TO INVOICE THE CUSTOMER (CONSIGNEE) IN THE EVENT OF ANY AND ALL SORT AND SEGREGATE CHARGES.**

SIGNING THE BILL OF LADING OR DELIVERY RECEIPT "SUBJECT TO COUNT", OR SIMILAR LANGUAGE, WILL NOT ACT AS A VALID SIGNATURE IF SHORTAGES ARE CLAIMED AFTER THE 7 DAY NOTIFICATION PERIOD. ONCE THE 7-DAY PERIOD ELAPSES, THE CUSTOMER IMPLICITLY AGREES TO PAY FOR THE AMOUNT OF PALLETS RECEIVED ON THE DELIVERY RECEIPT (PROOF OF DELIVERY).

THIS AGREEMENT ASSUMES THAT THE CUSTOMER RECEIVES THEIR KENDALL LOAD ON PALLETS AND SIGNS FOR PALLETS, NOT FOR CASES OR PIECES. IF THE CUSTOMER DOES NOT RECEIVE ALL OF THE PALLETS SHOWN ON THE BILL OF LADING, IT SHOULD BE NOTED ON THE DELIVERY RECEIPT THAT THE SHIPMENT WAS RECEIVED SHORT AND THIS WOULD



ALLOW FOR THE CUSTOMER TO PAY SHORT.

NO DEDUCTIONS ARE ALLOWED AFTER 90 DAYS FROM SHIPMENT DATE.

IF THERE IS A NEED TO CLAIM SHORTAGES, PLEASE CALL OUR CUSTOMER SERVICE CALL CENTER AT (800) 962-9888. ANY OF OUR CUSTOMER SERVICE REPRESENTATIVES WILL BE HAPPY TO ASSIST YOU.

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TERMS OF SALE

MERCHANDISE RETURN POLICY

**GENERAL
INFORMATION:**

ALL RETURNS MUST BE AUTHORIZED BY KENDALL CUSTOMER SERVICE, 15 HAMPSHIRE STREET, MANSFIELD, MA 02048 (800)962-9888. AUTHORIZATION MUST TAKE PLACE PRIOR TO MERCHANDISE BEING RETURNED. UNAUTHORIZED MERCHANDISE RETURNS WILL BE REFUSED.

FREIGHT:

AUTHORIZED MERCHANDISE RETURNS ARE SHIPPED AT THE CUSTOMER'S EXPENSE. KENDALL DOES NOT ALLOW FOR COLLECT SHIPMENTS ON MERCHANDISE RETURNS. CUSTOMERS SHIPPING FREIGHT COLLECT WILL RECEIVE AN "ADD BILL" FOR ALL FREIGHT CHARGES INCURRED BY KENDALL ON COLLECT SHIPMENTS.

AUTHORIZATION:

MERCHANDISE RETURN AUTHORIZATIONS MUST INCLUDE THE FOLLOWING INFORMATION:

- REASON FOR RETURN
- KENDALL ITEM NUMBER
- QUANTITY OF ITEM
- ORIGINAL KENDALL INVOICE NUMBER
- CUSTOMER PURCHASE ORDER NUMBER

CUSTOMER SERVICE WILL PROVIDE THE CUSTOMER WITH A MERCHANDISE RETURN AUTHORIZATION NUMBER AND RETURN INSTRUCTIONS. THE CUSTOMER MUST INCLUDE THE MERCHANDISE RETURN AUTHORIZATION NUMBER IN ALL PAPERWORK FOR THE RETURN.

CREDIT:

KENDALL DOES NOT PROVIDE CREDIT FOR THE FOLLOWING PRODUCTS:

1. ALL CUSTOM MANUFACTURED PRODUCTS.
2. PRODUCTS NOT LISTED IN THE CURRENT DISTRIBUTOR PRICE LIST OR OTHERWISE DISCONTINUED.
3. PRODUCTS WHICH ARE NOT IN ORIGINAL KENDALL PACKAGING – STANDARD KENDALL SELLING UNIT OF MEASURE. (I.E., FULL, UNOPENED CASES OF KENDALL PRODUCT)
4. PRODUCTS THAT DO NOT MEET KENDALL STANDARDS FOR RESALE. (SUCH PRODUCTS WILL BE DESTROYED BY KENDALL.)

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TERMS OF SALE

MERCHANDISE RETURN POLICY (Cont'd)

CREDIT FOR AUTHORIZED RETURNS WILL BE BASED ON THE PRICE FOR WHICH THE CUSTOMER WAS INVOICED WHEN THE PRODUCT WAS SHIPPED. CREDIT WILL BE ALLOWED AS FOLLOWS:

<u>REASON FOR RETURN:</u>	<u>CREDIT</u>
1. DEFECTIVE PRODUCTS	INVOICED PRICE
2. KENDALL SHIPPING ERROR (RETURNED WITHIN 45 DAYS FROM INVOICE DATE)	INVOICED PRICE
2a. KENDALL SHIPPING ERROR (RETURNED AFTER 45 DAYS FROM INVOICE DATE)	INVOICED PRICE LESS 10% SERVICE CHARGE
3. KENDALL ORDER ERROR (RETURNED WITHIN 45 DAYS FROM INVOICE DATE)	INVOICED PRICE
3a. KENDALL ORDER ERROR (RETURNED AFTER 45 DAYS FROM INVOICE DATE)	INVOICED PRICE LESS 10% SERVICE CHARGE
4. ORDERS DAMAGED IN TRANSIT	INVOICED PRICE
5. CUSTOMER ORDER ERROR (RETURNED WITHIN 45 DAYS FROM INVOICE DATE)	INVOICED PRICE LESS 10% SERVICE CHARGE
5a. CUSTOMER ORDER ERROR (RETURNED AFTER 45 DAYS FROM INVOICE DATE)	INVOICED PRICE LESS 20% SERVICE CHARGE
6. REFUSED SHIPMENT (NOT DUE TO KENDALL ERROR)	INVOICED PRICE LESS 10% SERVICE CHARGE
7. DISTRIBUTOR STOCK REDUCTION KENDALL FIELD SALES REPRESENTATIVE MUST INITIATE AND AUTHORIZE.	INVOICED PRICE LESS 20% SERVICE CHARGE

**IMPORTANT
NOTES:**

- ALL RETURNED MERCHANDISE THAT REQUIRES REPROCESSING TO MAKE PRODUCT SUITABLE FOR RESALE WILL BE ASSESSED A 35% SERVICE CHARGE, REGARDLESS OF REASON FOR THE RETURN.

2. KENDALL WILL ISSUE A CREDIT MEMO WHEN THE RETURNED MERCHANDISE IS RECEIVED AND THE DISTRIBUTION CENTER CONFIRMS THE MERCHANDISE RETURN AUTHORIZATION.

KENDALL

REBATE POLICY



- **ELIGIBILITY TO RECEIVE REBATES**

A distributor is eligible to receive a contract rebate **only** if :

1. The contracted product was **purchased directly from Kendall**. No “gray market/overstocked dealer” purchases are applicable.

Kendall will periodically review and compare distributor purchases of Kendall products directly from Kendall and rebates paid by Kendall to the distributor. The distributor must provide Kendall with a satisfactory explanation for any rebates in excess of direct purchases or those rebates will be disallowed.

2. The product was sold directly to a qualified customer eligible to purchase that product under a contract duly authorized by Kendall.

Kendall reserves the right to conduct audits of the distributors purchases at reasonable times and the distributor agrees to cooperate fully in providing files and documents necessary for such audits. Kendall audits will include, but not be limited to, review of each customers purchases from the distributor which become the basis for any distributors rebate claim.

- **REBATE CONTRACT REQUIREMENTS**

Rebate contracts are in effect only if an agreement number has been assigned by Kendall Pricing Administration.

The agreement number must appear on all rebate claims so that the claim can be identified with the specific rebate contract.

Rebates paid to the distributor will be computed by Kendall solely by reference to the customer agreement which is in effect for the end-user customer. The rebate amount for each product shall equal the difference between the rebate contract net price for such product and Kendall’s lowest distributor price for such product (regardless of whether the actual price paid by the distributor exceeds such list price because the distributor purchased less than 20 cases of such product).

- **FILING FOR REBATES**

All applicable rebates are generated from rebate claims and credited to the distributor. No rebate claim will be processed by Kendall if received more than **90 days** from the date of the distributor’s invoice to the customer.

Kendall claim forms must be completed in full and **evidence of sale to qualified customers** must be attached. Rebate tapes or EDI files with formats that have been approved by Kendall may be used in lieu of claim forms.

Proof of sale documents must identify hospital/end-user name, address, zip code, invoice number, invoice date, Kendall product code, quantity, unit of measure, agreement number and unit claimed amount.

If a **customer returns** product to the distributor, the return must be reported on the rebate claim request if the distributor previously received a rebate for those products. **Receiving double rebates is not permitted.**

By signing the rebate request, the individual is certifying that the information is accurate and that the rebate request meets all the policy requirements.

- **DISTRIBUTOR LIST PRICE CHANGES**

If Kendall changes its prices to the distributor, rebate amounts for qualified customers will be adjusted effective on the first business day of the month following the price change.

- **UNAUTHORIZED REBATE PAYMENTS**

In the event that the distributor claims and receives an unauthorized rebate payment as a result of a violation of these policies, Kendall reserves the right to:

Recover moneys paid by reducing future rebate credits, deducting any incentive moneys earned by the distributor or by direct payment to Kendall. Kendall also reserves the right to deny future rebate claims and to charge the distributor for reasonable costs associated with audit and collection procedures.